

## Exhibit B



CRIME & COURTS, GOVERNMENT & POLITICS, HEALTH & WELLNESS

# Weeks After Being Named In Federal Lawsuit, DiPaula Resigns From UMMS Board



by **ZACH HILL**

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James "Chip" DiPaula

**ANNAPOLIS, Md.** – In a letter to Governor Larry Hogan on March 9, James "Chip" DiPaula announced that he is resigning as Chairman of

the University of Maryland Medical System (UMMS) Board of Directors.

DiPaula, who served as former Maryland Governor Robert Ehrlich's Chief of Staff, announced that his three-year tenure at UMMS which was arguably plagued with troubles will be concluding immediately. Some notable problems he faced included the "Healthy Holly" book scandal involving former Baltimore Mayor Catherine Pugh, along with helping navigate UMMS throughout the pandemic.

He noted the change comes as he prepares to move his permanent residency to another state while taking on an "expanded role" at Flywheel Digital, an eCommerce company he co-founded.

"Serving UMMS has been one of the great privileges of my career," DiPaula explained. "Since 2019, with your support, we have overseen crucial and comprehensive governance, management, and operations reforms, adopted extensive new structural governance reforms, 17 board policies, revitalized board committee charters, and led a successful national search for a new Chief Executive."

Some may recall [TheBayNet.com](#)'s report last month on a lawsuit which named Flywheel Digital, DiPaula, and five other defendants in federal court. One of the named defendants was Ascential, a United Kingdom-based global marketing firm that acquired Flywheel in 2018 for approximately \$400 million.

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DiPaula now serves as the [President of Digital Commerce for Ascential](#), which includes the oversight of Flywheel and several other brands owned by the conglomerate.

“Like many during the course of the pandemic, I have worked from a variety of locations and made the decision to permanently change my residency to another state,” DiPaula stated in his letter. “As such, Maryland is no longer my primary domicile. Further, I have taken an expanded role at my company which requires extensive travel to manage 10 global businesses.”

That suit, which alleges embezzlement, trade secret theft, extortion, and several other charges, is being brought by the Annapolis-based Compass Marketing. The company is seeking a total of \$1.2 billion in alleged damages.

“The allegations have no merit and will be vigorously defended. There will be no further comment on pending litigation,” a spokesperson for Ascential told [TheBayNet.com](https://www.thebaynet.com).

In the meantime, before DiPaula’s position is filled by the Maryland General Assembly and Hogan, UMMS Vice Chair Alexander Williams Jr. will act as the interim board chair.

A response to the complaint is due to the U.S. District Court in April. Compass Marketing is seeking a trial by jury in their suit.

*Read the full complaint below:*

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

COMPASS MARKETING, INC.  
105 Eastern Avenue  
Annapolis, Maryland 21403  
(Anne Arundel County),

*Plaintiff,*

v.

FLYWHEEL DIGITAL LLC  
1801 Porter Street Suite 300  
Baltimore, Maryland 21230

Case Number: \_\_\_\_\_